Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
)	
Technology Transitions Policy)	WC Docket No. 13-5
Task Force Seeks Comment on)	
Potential Trials)	
)	
)	

Comments of Communications Workers of America

Debbie Goldman George Kohl 501 Third St. N.W. Washington, D.C. 20001 (202) 434-1194 (phone) (202) 434-1201 (fax) dgoldman@cwa-union.org

I. The Commission Should Adopt Technology Trials with Six Public Interest Objectives, Including the Impact of the New Technology on Jobs and Workers

The Communications Workers of America ("CWA") submits these comments in response to the Commission's *Trials Public Notice* seeking comment on proposals to move forward with real-world technology transition trials. The Commission explains that the purpose of the trials is to gather a factual record to help determine what policies are appropriate to promote investment and innovation while protecting consumers, promoting competition, and ensuring that emerging all-Internet Protocol (IP) networks remain resilient. The Commission seeks comment on several potential trials relating to three technology transitions: from copper to fiber, from wireline to wireless, and from time-division multiplexing (TDM) to IP.¹

CWA represents 700,000 workers in communications, media, airlines, manufacturing and public service. CWA represents employees in all segments of the communications industry, including wireline, wireless, and cable companies providing voice, data, and video services.

CWA members and their families have a vital interest in this proceeding as workers in the industry and as consumers of communications services.

CWA supports the Commission's proposal to move forward with real-world technology trials. The transition from copper to fiber, wireline to wireless, and TDM to IP networks is taking place, and it is imperative that the Commission adopt policies that foster the statutory and public interest goals of communications policy to ensure network reliability, public safety, universal affordable quality service, consumer protections and job-creating investments in high-speed

¹ FCC, *Public Notice*, "Technology Transitions Policy Task Force Seeks Comment on Potential Trials," WC Docket No. 13-5, May 10, 2013 (rel) (*Trials Public Notice*); FCC, Public Notice, Comment Cycle Established for Technology Transitions Policy Task Force Public Notice Regarding Potential Trials," WC Docket No. 13-5, May 24, 2013 (rel).

broadband networks. In a previous submission, CWA articulated Six Public Interest Principles that should guide the Commission as it moves forward in examining the appropriate regulatory framework for an all-IP environment. We reiterate those Principles here as appropriate objectives for the technology transition trials: 1) stimulate investment in high-speed networks; 2) support quality jobs in the telecommunications industry; 3) promote quality, affordable service to all Americans; 4) ensure network reliability; 4) promote public safety; and 4) protect consumers.²

The Commission's *Trials Public Notice* references some of these objectives as those it aims to test in the trials, specifically citing policies to promote investment, innovation, protect consumers and competition, and ensure network resiliency.³ In order to evaluate the impact of the trials on these objectives, the Commission must add an additional focus: the impact of the technology trials on workers and jobs in the telecommunications industry. In order to protect consumers, maximize innovation, ensure network resiliency, and ensure that investment benefits consumers and communities, the Commission has a direct interest in making sure that telecommunications carriers build on existing investments in a skilled, career workforce and minimize displacement of that workforce.

More than 850,000 men and women are employed directly in the telecommunications network industry. The Bureau of Labor Statistics classifies about 717,000 (83 percent) of these employees as "non-supervisory" employees. These are the frontline workers who build, maintain, and service the wired and wireless communications networks.⁴ Historically, the

² Letter from Debbie Goldman to Marlene H. Dortch, In the Matter of AT&T Petition to Launch Proceeding Concerning the TDM-to-IP Transition; Petition of the National Telecommunications Cooperative Association for a Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353, March 5, 2013. ³ *Id.*, p.1.

⁴ Bureau of Labor Statistic, Current Employment Statistics, April 2013.

telecommunications industry provided relatively high-wage, career employment for workers, partly because of the skilled nature of the work, but also because of the relatively high union density.⁵

Change is a constant for the frontline workers in this dynamic industry. The question is whether change will benefit or displace workers in the industry. Over the years, CWA has negotiated provisions with our employers to train workers on new technologies, to ensure that these retrained workers can transfer into jobs in the growing segments of the company, and to adopt other adjustment policies so workers have been able to grow their careers rather than suffer unemployment and displacement as technologies and lines of business change. Such programs create a win-win for employers, workers, consumers, and communities. Employees are able to build careers and maintain good jobs; employers benefit from a high-skilled, loyal workforce; consumers receive the quality service they deserve from well-trained, motivated technicians and customer service employees; and communities benefit from the stable good jobs provided by responsible employers.

Unfortunately, not all telecom employers have taken this responsible path to change.

Some employers have used the introduction of new technology as an excuse to contract the work out to vendors, many of whom are located offshore, or to move the work to non-union subsidiaries, blocking the opportunity of the existing workforce to transfer into jobs in the

_

⁵ See Vicky Lovell, Heidi Hartmann, and Jessica Koski, *Making the Right Call: Jobs and Diversity in the Communications and Media Sector*, Washington, D.C.: Institute for Women's Policy Research, 2006 (available at http://www.iwpr.org/publications/pubs/making-the-right-call-jobs-and-diversity-in-the-communications-and-media-sector); Jeffrey H. Keefe, *Racing to the Bottom: How antiquated public policy is destroying the best jobs in telecommunications*, Washington, D.C.: Economic Policy Institute, 2005 (available at http://www.epi.org/publication/book_racing/); Rosemary Batt, Virginia Doellgast, and Hyunji Kwon, *The U.S. Call Center Industry: National Benchmarking Report*, Ithaca NY: Cornell University School of Industrial and Labor Relations, 2004 (available at http://www.ilr.cornell.edu/globalcallcenter/research/upload/US-CC-report.pdf);

growing segments of the company. Such policies do not serve the public interest in good jobs, stable communities, and quality service.

We have seen in the telecommunications industry that incumbents respond to competitive threats. When they respond with more investment, better service, and lower prices, the result is a virtuous circle of consumer benefits. In contrast, we have also seen the negative impact on consumers when the response is a cut in service, the offshoring and degradation of jobs, and the disruption of career ladders. It is in the best interest of all to ensure that the low-road employment policies do not become the dominant market driver.

The Commission can help ensure that the transition from wired to wireless, copper to fiber, and TDM to IP networks protects consumers' interest in a high-skilled, motivated work force providing quality telecom services in a number of ways. First, the Commission should collect data on employment as part of the factual record it develops during the trials. What impact does each of these trials have on the quantity (e.g. number by job function) and quality (e.g. wages, benefits, union representation, training) of jobs? How do job requirements change? What jobs are eliminated and what jobs are created as a result of the new technologies and networks? How did companies retrain and redeploy workers from the old to new technologies and networks? What are best practices that will help ease the transition in moving from trials to larger scale deployments? The Commission should require carriers that participate in the technology transition trials to provide information to the Commission so that it can answer these and other related questions.

Second, the Commission should require trial participants to provide a workforce deployment plan with the goal of maximizing the employment opportunities and minimizing the

displacement of current workers. For example, the Commission should not authorize any trial that would result in the outsourcing to domestic or offshore vendors of work currently performed by the company's own employees, or the movement of work into a subsidiary that does not provide transfer rights for existing workers. As this proceeding moves forward, CWA will provide additional detail to supplement these general recommendations. At this point, we emphasize that the Commission can play an important role in ensuring that employers take the responsible human resource approach to this technology transition, one that recognizes the value of skilled, career employees to the provision of quality, affordable, resilient communications services and one that minimizes the disruption caused by these changes.

In the remainder of our comments, we focus on some of the more specific questions that the Commission asks about two proposed technology trials: 1) wireline to wireless; and 2) geographic all-IP trials.

II. Wireline to Wireless Trial: The Commission Must Ensure that Consumers Do Not Lose Essential Communications Capabilities as Carriers Substitute Wireless-Only Service for Wireline Service and that Wireless Build-Out Drives Further Investment in High-Speed Wired Networks

AT&T has indicated that it intends to seek authority to serve some current wireline customers, mostly in rural areas, with a wireless-only product. Verizon has not waited for Commission authority, and is currently replacing copper based services damaged by Hurricane Sandy on Fire Island, New York and on several New Jersey barrier island with a fixed wireless

⁶ See *Trials Public Notice*, p. 8 (citing AT&T Wire Center Trials Petition, p.9, which explains that AT&T will offer wireless communications alternatives to customers living in particularly high-cost areas, including its Mobile Premises Services, which allows customers to make calls using ordinary wireline handsets connected to wireless base stations.)

service called Voice Link.⁷ In addition, Verizon has begun to encourage voice-only customers that have experienced multiple outside plant repair problems to switch to Voice Link.⁸ The New York Public Service Commission (NY PSC) suspended Verizon's proposed tariff related to Voice Link outside of western Fire Island, pending a more thorough review,⁹ yet it appears that Verizon has ignored the NY PSC and is moving ahead with some Voice Link deployments beyond western Fire Island.¹⁰ It is also CWA's understanding that Verizon is moving forward with Voice Link deployments to voice-only customers with chronic repair problems and to customers in neighborhoods with chronic repair problems in other states in its local exchange

_

⁷ Verizon filed a Section 214 discontinuance petition with this Commission on June 7, 2013, only after it had begun its Voice Link installations on Fire Island and the New Jersey barrier islands. The Commission has recently put that Section 214 discontinuance notice out for public comments. *See* Section 63.71 Application of Verizon New York Inc. and Verizon New Jersey Inc. for Authority Pursuant to Section 214 of the Communications Act of 1934, As Amended to Discontinue the Provision of Service, WC Docket No. 13-150 and Comp. Pol. File No. 1115, June 7, 2013, p.2 ("Verizon Section 214 Notice"). *See also* Public Notice, Comments Invited on Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services, WC Docket No. 13-150, Comp. Pol. File No. 1115, June 28, 2013.

⁸ See Comments of the Communications Workers of America, Tariff filing by Verizon New York, Inc. to introduce language under which Verizon could discontinue its current wireline service offerings in a specified area and instead offer wireless services as its sole offering in the area, Case 13-C-0197, July 2, 2013(available at http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={A6F1856B-B595-4178-8242-172FDFE32EEC}; Comments of Eric T. Schneiderman, Attorney General of the State of New York, Tariff filing by Verizon New York, Inc. to introduce language under which Verizon could discontinue its current wireline service offerings in a specified area and instead offer wireless services as its sole offering in the area, Case 13-C-0197, July 2, 2013 (http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={25BC0202-A4AD-4675-9C62-9DE59A294341}); Comments of AARP, Tariff filing by Verizon New York, Inc. to introduce language under which Verizon could discontinue its current wireline service offerings in a specified area and instead offer wireless services as its sole offering in the area, Case 13-C-0197, July 2, 2013 (available at https://docs.google.com/a/cwa-union.org/file/d/0B3IY8WmqQATedzJENXd1SzBEcW8/edit) ("Verizon Voice Link Tariff Proceeding")

⁹ See State of New York Public Service Commission, Notice Inviting Comments, Tariff filing by Verizon New York,

⁹ See State of New York Public Service Commission, Notice Inviting Comments, Tariff filing by Verizon New York, Inc. to introduce language under which Verizon could discontinue its current wireline service offerings in a specified area and instead offer wireless services as its sole offering in the area, Case 13-C-0197, May 21, 2013 (available at http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={6FF2EF26-F8D2-4ECF-B58C-4EE68AB5B971).

¹⁰ See Emergency Petition of New York Attorney General Eric T. Schneiderman for an Order Preventing Verizon from Illegally Installing Voice Link Service in Violation of Its Tariff and the Commission's May 16, 2013 Order, Verizon Voice Link Tariff Proceeding, Case 13-c-0197, June 26, 2013; Reply of New York Attorney General Eric T. Schneiderman to Verizon's Response to the Attorney General's Emergency Petition, July 2, 2013; Letter from Chris Shelton, Vice President, CWA District 1 to Jeffrey Cohen, Verizon Voice Link Tariff Proceeding, Case 13-C-0197, June 26, 2013 (all these documents can be accessed at the New York Public Service Commission website at http://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=13-C-

footprint, including but not limited to Virginia, California, Texas, Florida, Maryland, Washington, D.C., and Pennsylvania.

Voice Link is a fixed wireless service that uses regular home telephone handsets and existing wiring and jacks within the customer's home. 11 Although Verizon claims that Voice Link provides voice service just like traditional landline service, in fact Voice Link is not compatible with fax machines, medical alert, home security monitoring systems, and credit card machines. 12 Voice Link does not enable data transmission, so a Voice Link customer cannot get either dial-up or DSL Internet access, nor can a deaf or hard of hearing person use the highly popular video relay service or IP Relay service with a Voice Link service. Unlike landline service, Voice Link has no back-up power, and in times of power outages, wireless service is susceptible to cell tower power outages, congestion, and batteries running low. Voice Link does not allow customers to accept collect calls, calls to the operator by dialing "O," does not permit customers to make international calls, does not support "dial around," does not support specialized exchanges, and DVRs. Voice Link does not offer the back-up power of traditional landline service. In terms of E911, the customer's location is programmed into the unit. But because the unit is completely portable, it is highly likely that a customer may move the unit to another location. ¹³ (See Attachment A, "CWA District 1 Comments to the Public Service Commission in New York on Voice Link.")

^{0197&}amp;submit=Search+by+Case+Number).

¹¹ See Section 63.71 Application of Verizon New York Inc. and Verizon New Jersey Inc. for Authority Pursuant to Section 214 of the Communications Act of 1934, As Amended to Discontinue the Provision of Service, WC Docket No. 13-150 and Comp. Pol. File No. 1115, June 7, 2013, p.2.

¹² New York Public Service Commission, Order Conditionally Approving Tariff Amendments in part, Revising in Part, and Directing Further Comments, Case 13-C-0197, May 16, 2013, page 6.

¹³ Verizon New York, Inc. "Voice Link Terms of Service," filed May 20, 2013, Verizon Voice Link Tariff Proceeding, Case 13-C-0197. Voice Link filed a revision of this document on June 10, 2013.

In light of these limitations, this Commission's proposal to conduct trials to assess the impact on residential and business customers of wireless substitution takes on critical importance. It is clear that Voice Link, the fixed wireless technology that Verizon is using to replace landline service, does not provide the same capabilities to residential and business customers. Voice Link represents a step backwards. The issue of network reliability during power outages must be resolved. Moreover, because it does not offer data transmission capabilities, a customer must rely either on cable (if available) or more expensive alternatives such as satellite or wireless broadband.

Wireless substitution raises key policy issues that the Commission must consider in the context of a trial. First, what is the impact of wireless substitution on public safety and network reliability? Unlike wireline systems, wireless networks are not hard-wired into an independent power source at the incumbent carrier's central office, and thus wireless networks are vulnerable to loss of power during weather emergencies and power outages. Wireless networks are also subject to network congestion. CWA fully supports the Commission's proposal to require trial participants to describe how they plan to address service continuity issues in the event of a power outage. The Commission should require trial participants to collect and provide to the Commission publicly-available data on the real-life experiences of wireless-only households during power outages. The Commission should also require trial participants to collect and provide to the Commission publicly-available network reliability data that goes beyond the current reliability measures that the Commission collects for wireline services, including but not limited to the number of dropped and blocked wireless calls and data sessions for participants.

Second, the Commission must collect data on the impact of wireless substitution on the build-out of fiber into more communities and neighborhoods. While wireless 4G LTE networks may provide an economically efficient means to connect consumers and small businesses in lowdensity rural areas to voice and data communications networks, wireless is simply not a substitute for the high-capacity fiber networks necessary to transmit the video and data-rich applications of the 21st century information society. Wired and wireless networks complement each other; they are not substitutes. ¹⁴ Wireless networks cannot provide the capacity that community anchor institutions such as schools, libraries, medical centers, E911 centers, and other public service providers need going forward. Businesses seek locations with high-speed fiber networks; communities with only 4G LTG connections will find themselves economically isolated, without the potential for job growth in the high-tech economy. As AT&T CEO Randall Stephenson recently explained: "[T]he more wireless we become, the more fixed-line dependent we become...All of those cell sites [are] connected by fiber and Ethernet. Basically all you're doing is building this big massive fixed-line network with wireless antennas hanging on the end. So the ability to have all this fiber deployed around the country is really powerful."¹⁵

Verizon has announced that it will not expand its all-fiber FiOS network beyond the approximately 19 million households in its footprint where it has either completed or has franchise commitments to complete its FiOS build.¹⁶ That leaves about one-third of consumers

¹⁴ The Institute for Local Self-Reliance has a two-page fact sheet designed for a popular audience that explains the opportunities and limitations of wireless Internet. *See* Institute for Local Self-Reliance, Wireless Internet 101 (available at http://www.ilsr.org/wp-content/uploads/2013/06/wireless-fact-sheet-101.pdf).

¹⁵ Connie Guglielmo, "AT&T's Big Call: Randall Stephenson on the I-Phone, His Wireless Ambitions, and the Next Best Thing," *Forbes*, Jan. 2, 2013 (available at http://www.forbes.com/sites/connieguglielmo/2013/01/02/atts-big-call-randall-stephenson-on-the-iphone-his-wireless-ambitions-and-the-next-big-thing/).

¹⁶ See VZ-Verizon at JPMorgan Global Technology, Media and Telecom Conference, THOMSON REUTERS STREETEVENTS, Edited Transcript, May 14, 2013, p. 10.

and small businesses in the Verizon footprint, including the cities of Buffalo, Boston, Baltimore, Albany, and Syracuse, on the wrong side of the digital divide. ¹⁷ AT&T's Project Velocity IP Initiative initially projected an expansion of its high-speed U-Verse fiber-to-the-neighborhood network to reach 57 million or 75 percent of wireline customer locations in its footprint and an additional one-million business locations. ¹⁸

As part of its wireline to wireless trial, the Commission should require trial participants to provide data to assess whether the wireless substitution creates economies of scope that incent investment in high-speed wired networks providing service not only to cell towers but also to community anchor institutions, consumers, and small businesses. In this way, the Commission will be able to gather valuable data to drive policies that create market-based incentives for carriers to invest in building fiber networks deeper into the neighborhoods.

CWA now turns to answer some of the specific questions the Commission asks in the *Trials Public Notice* regarding the wireline to wireless trial.

Scope. CWA supports the Commission's proposal to conduct the wireline to wireless trial at the wire center level, to limit the number of geographic areas for the trial to one inside and one outside the LEC's wireline service territory, to provide customers the option of participating in the trial and the right to switch back to their previous wireline product if they so choose. The

¹⁷ See Communications Workers of America, "Slamming the Door on Our High-Speed Future," WT Docket 12-4 (available at http://apps.fcc.gov/ecfs/document/view?id=7021923219).

¹⁸ AT&T announced it would invest an additional \$14 billion -- \$6 million in wireline, \$8 billion in wireless – over the next three years, on top of its previously announced capital commitments. AT&T Press Release, "AT&T to Invest \$14 Billion to Significantly Expand Wireless and Wireline Broadband Networks, Support Future IP Growth and New Services," Nov. 7, 2012 (available at http://www.att.com/gen/press-room?pid=23506&cdvn=news&newsarticleid=35661).

Commission must ensure that participating carriers provide full disclosure to customers prior to the trial.¹⁹

Data. As noted above, the Commission should collect data on the employment impact of the wireline to wireless trials, data related to investment and expansion of high-speed wired and wireless broadband networks, and network reliability and public safety. ²⁰ CWA concurs with the Commission's proposal to collect data on customer churn, subscriber counts, disconnects, gross additions, average revenue per user (ARPU), counts of customers switching back to wireline service, customer service complaints, service visits, actual customer data speeds by month and separately for each geographic area and product. ²¹ In addition, the Commission should collect pricing data and actual expenditures by different classes of customers on wired, wireless, and bundled voice and data services. The Commission's proposal to conduct a consumer survey should provide valuable information, particularly if it is conducted by an independent source and seeks information from wireless and wireline customers regarding voice, data, and video services. The Commission should also collect data on the impact of wireless substitution on fiber deployment to anchor institutions (schools, libraries, government institutions, health care facilities) and to residential/small business customers in the trial areas. Finally, the Commission should collect data on the impact of the trials on competition in the delivery of high-speed broadband and video services.

¹⁹ Trials Public Notice, p. 9.

²⁰ See page 4 of these comments.

²¹ Trials Public Notice, 8-9.

III. The Commission Should Seek Public Comment on the Carriers' Detailed Road Map for Geographic All-IP Trials

In the *Trials Public Notice*, the Commission asks carriers interested in pursuing such a trial to submit a more detailed, comprehensive roadmap of the trial, including the data to be collected, the rules that would need to be waived, and the role of the states. CWA previously submitted comments on AT&T's general proposal regarding an "all IP" wire center trial and requests that those comments be incorporated into this proceeding and that carriers incorporate our recommendations into the more detailed plans they provide to the Commission. ²² (See Appendix B. "CWA Letter Submitted in Response to AT&T TDM-to-IP Transition Petition.") The Commission must provide the public an opportunity to comment on the more detailed plan on how the trials will work, the design of the trial, data to be collected, and rules that would be waived. At this time, we reiterate the points that we have made earlier in these comments. Any trial must include a workforce deployment plan that details how the trial participants plan to retrain and redeploy the existing workforce to build, maintain, and service all-IP networks, and it must include detailed data collection on the impact of the trial on the quantity and quality of jobs. The trial must also address the significant issues related to IP network reliability and public safety in periods of power outages, given the fact that IP networks lack their own back-up power source. Finally, as noted in our earlier comments on the AT&T TDM-to-IP transition, such a trial provides the Commission with the opportunity to establish a level-playing field of regulation that applies to all IP network carriers. At the same time, the Commission should proceed cautiously with any proposal that proposes substituting a procurement model for existing "federal and state

²² Letter from Debbie Goldman to Marlene H. Dortch, In the Matter of AT&T Petition to Launch Proceeding Concerning the TDM-to-IP Transition; Petition of the National Telecommunications Cooperative Association for a

service-obligations rules," such as state-mandated carrier-of-last resort obligations and federal

ETC obligations.²³

IV. Conclusion

The transition from wired to wireless, copper to fiber, TDM to IP networks is already

happening. The Commission should move forward expeditiously with carefully designed trials

to obtain the data that it needs to ensure that the statutory goals of the Communications Act "to

make available, so far as possible, to all the people of the United States...a rapid, efficient,

Nationwide, and worldwide wire and communications service with adequate facilities at

reasonable charges"²⁴ and the goals of the Telecommunications Act of 1996 "to secure lower

prices and higher quality services for American telecommunications consumers and encourage

the rapid deployment of new telecommunications technologies" continue to drive our

communications policy.

Respectfully Submitted,

Debbie Goldman

Telecommunications Policy Director

Deshie Holdwan

Communications Workers of America

Dated: July 8, 2013

Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353, March 5, 2013.

²³ *Id.*, p. 5.

²⁴ 47 U.S.C. Sec. 151(1).

²⁵ Preamble to Telecommunications Act of 1996, Public Law 104-104, Feb. 8, 1966.

13